YUKON UTILITIES BOARD

ANNUAL REPORT

For the Year Ending

March 31, 1985

Public Utilities Act
Section 20

Yukon
Yukon Utilities Board
Box 2703, Whitehorse, Yukon Y1A 2C6

Yukon
Yukon Utilities Board
Box 2703, Whitehorse, Yukon Y1A 2C6
(403) 667-5811 Telex 036-8-260

Our File: 3620-16-4-4
Your File:

1985 11 25

Acquisitions Coordinator
Micromedia Limited
158 Pearl Street
Toronto, Ontario
M5H 1L3

Dear Sirs:

Please find attached the report you requested.

Yours truly,

Rob McClure

Rob McClure
Executive Secretary
Yukon Utilities Board

Att:

Office of the Minister
Box 2703, Whitehorse, Yukon Y1A 2C6
(403) 667-5811 Telex 036-8-260

Our File:
Your File:

1985 06 03

Douglas L.D. Bell
Commissioner of Yukon
Box 2703
Whitehorse, Yukon
Y1A 2C6

Dear Mr. Bell:

I have the honour to submit herewith the Annual Report of the Yukon Utilities Board for the year ending March 31, 1985.

Yours truly,

Roger S. Kimmerly
Minister of Justice

Yukon
Yukon Utilities Board
Box 2703, Whitehorse, Yukon Y1A 2C6
(403) 667-5811 Telex 036-8-260

Our File:
Your File:

1985 06 03

The Honourable Roger S. Kimmerly
Minister
Department of Justice
Government of Yukon
Box 2703
Whitehorse, Yukon
Y1A 2C6

Dear Mr. Kimmerly:

It is my pleasure to submit to you the Annual Report of the Yukon Utilities Board for the year ending March 31, 1985.

Yours Respectfully,

J.L. Pollock, R.I.A.
Chairman

1. THE BOARD

Statutory Authority

The Yukon Utilities Board is appointed under authority of Section 3 of the Public Utilities Act.

MEMBERSHIP

Chairman	-	James Pollock
Vice Chairman	-	Robert Laking
Member	-	Margaret Willis
Member	-	Michael Johnson

STAFF

Executive Secretary		Rob McClure (replacing Gloria Roman)
Consultant	-	W.G. Stephen

OFFICE LOCATION

Yukon Government Administration Building, Department of Justice, Consumer and Corporate Affairs Section, Whitehorse, Yukon.

MAILING ADDRESS

P.O. Box 2703
Whitehorse, Yukon
Y1A 2C6

Reporting

The Board reports to the Minister of Justice, the Honourable Roger S. Kimmerly.

2. THE BOARD'S MANDATE

With the assent on April 18, 1984 of the new Public Utilities Act the Board was given an expanded mandate. As well as regulating electric utilities the Board may now regulate gas utilities and review and make recommendations to the Commissioner in Executive Council on significant energy projects.

Currently the Board's main activities are to review rate adjustment, capital budget and expansion applications of Yukon Electrical Company Limited. In the past, the Board also dealt with the Northern Canada Power Commission, although there was no legal jurisdiction. (During

February and March 1985, Hearings were held by the National Energy Board into Northern Canada Power Commission. Included was the matter of who should regulate the Commission.)

The Board's primary purpose in regulating the one utility currently under it's jurisdiction is to ensure reliable and safe service at rates which are just and reasonable to both the customers and investors in that utility.

3. THE REGULATORY PROCESS

In deciding rates and adjudicating complaints the Board acts on a quasi-judicial basis, and gives due regard to "natural justice" including principles such as:

(1) the members must be impartial - for example - they must not have a personal or financial interest in the outcome of a Board decision;

(2) the Board members must not enter into private discussions on matters before the Board with interested parties - including representations of the regulated utility, intervenors and interest groups;

(3) only the Board members who hear all the evidence and arguments may participate in rendering a decision;

(4) the Board members have a duty to act in good faith and listen fairly to all parties, and to ensure each party has ample opportunity to correct or contradict any relevant statement prejudicial to his point of view;

(5) the Board has a duty to decide matters for which it has an exclusive mandate on the basis of the evidence it receives from the parties and its own judgement - therefore, it must operate outside the political arena, although it may take government policy and evidence into account; and

(6) all parties before the Board have equal status.

4. HEARINGS

Section 53(1) of the Public Utilities Act states that:

> Subject to the other provisions of this Act and the regulations and to the need to abide by the fundamental principles of justice, the Board in respect to any inquiry or hearing
>
> (a) has the exclusive jurisdiction and authority to determine any question of fact, law, or mixed fact and law required to be decided,

(b) may receive such evidence or other information as it considers appropriate, whether or not such evidence is given under oath or affirmation, and whether or not it would be admissable in a court of law,

(c) has the powers, privileges and immunities of a Board of Inquiry under the Public Utilities Act,
(d) may determine the persons to whom notice of the proceedings shall be given, and
(e) may determine its own procedures.

5. INTERVENORS

The Board believes that active interventions are essential to assist the regulatory function. Through interventions, the Board is able to receive information which might not otherwise be available regarding the impact of proposed rate changes on specific customer classes.

6. EXPENDITURES

Amounts required for the purposes of the Board are provided for in the budget for Consumer Services in the Department of Justice. The Board expenditures were $7,217.00.

7. BOARD ACTIVITY

a) General

No Hearings were held during the period and little Board related activity was performed by the advisory staff. The Executive Secretary position was vacant from April 1984 to September 1984.

b) Liaison

Chairman, Jim Pollock, attended the 1984 annual convention of the Canadian Association of Members of Public Utility Tribunals held in Toronto in September. At that time he was elected Chairman of the Association and host in Whitehorse, of the 1985 conference. A business meeting was held in March and was attended by at least one member from each jurisdiction in Canada. The Alberta Board generously assisted with the meeting.

c) Yukon Electrical Company Limited

On June 1, 1984 Yukon Electrical Company Limited requested a .3¢ per KWH increase on the next full billing cycle. The Board concurred with Yukon Electrical that the clause "Less: estimated fuel decrease $66,991." should be deleted from Order 1984-2. This in effect increased the total 1984 Revenue Requirement to

$14,734,000. Order 1984-3 was issued approving the .3¢ per KWH increase.

On July 19, 1984 a new format for Capital expenditures was recommended by the Board to be set up by Yukon Electrical Co. which would better track the variance of actual vs budget. All expenditures over $25,000 are now displayed separately and categorized appropriation numbers can be followed from year to year.

Several major capital program applications for 1985 were received and approved including an energy efficient generating plant in Watson Lake, an extension the Mt. Skookum mine site and an extension to Teslin from Marsh Lake. The 1985 overall Capital Budget was not approved during this period.

d) Rules of Practice

The final draft of the Rules of Practice was approved February 26, 1985. The Board issued Order 1985 - 1. The Rules govern the conduct of Hearings and Applications to the Board. The Rules are available from the Executive Secretary.

e) Yukon Electrical Company Limited Franchise

A draft franchise agreement was prepared and negotiated with Yukon Electrical Company Limited. The Board approved the conditions and recommended that the Commissioner in Executive Council grant a franchise.

f) Complaints

Approximately 4 complaints were investigated by the Board staff. Two involved billing disputes, one: quality of service and one regarding cost of rural service installation.

8. EVENTS DURING 1985-85 AFFECTING BOARD OPERATIONS

a) Public Utilities Act

The Public Utilities Act, Chapter 26, was passed by the legislature of the Yukon Territory in the 4th session of the 25th legislative assembly, April 18, 1984. As mentioned above the Board's mandate has expanded considerably.

b) National Energy Board Inquiry

The National Energy Board held an Inquiry into matters concerning Northern Canada Power Commission in February and March 1985. The Government of Yukon intervened to represent the broad public interest of Yukon to the National Energy Board. Considerable time was spent by the Research Assistant/Executive Secretary to

the Yukon Utilities Board co-ordinating this intervention. The government position on equalization, regulation and ownership was provided in evidence and cross-examination. All exhibits and transcripts of this Inquiry are retained in the Yukon Utilities Board Library.

Respectfully submitted,

J.L. Pollock, R.I.A.
Chairman
Yukon Utilities Board